

**Comments of Peter Wong  
President and CEO, RSC  
Michigan House of Representatives  
Energy & Technology Committee  
May 7, 2013**

Good morning Chairman Nesbitt and members of the committee. It's an honor for me to speak with you this morning about this extremely important topic.

My name is Peter Wong. I am a small business owner and president and CEO of RSC, a supplier of welding equipment, robots, accessories and engineering services.

I am also the former Chair of the Asian Pacific American Chamber of Commerce and a current commissioner for the Michigan Asian Pacific American Affairs Commission.

As a business owner, predictability and stability -- of the current and future business climate in the economy, in our state and in the city of Detroit -- are vital to our decision making.

Predictability and stability affect whether we invest in plant, equipment, and personnel hiring, or whether we merely hold back until the policies are clear.

That's why your efforts to help define Michigan's future energy policy are so important. Predictability and stability are important when it comes to electricity, too. They are important in terms of price and they are even more important in terms of reliability.

Will Michigan have the power it needs in the decades ahead? Will it be energy independent or will it be dependent on power generated in other states and the systems to move that power to our homes and businesses? I feel more secure knowing that most of our power is generated in our great State.

On another front, during the period when Michigan's Electric Choice option had no limits I was very concerned about the risks and unfairness of allowing energy marketers to cherry-pick profitable accounts while leaving remaining customers of the utility company to pay the costs that the cherry-picked companies were avoiding.

Not to mention the inherent unfairness that allows the energy marketers to do business in our communities without sharing in the long-term commitment and investment to the communities.

That's why even though my business regularly receives solicitations from energy marketers, I always decline them. I don't believe it is fair. I don't believe it is the right path for Michigan.

That said, the current energy policy preserves "choice opportunity" for 10% of total electric sales. It is an imperfect compromise between two very different industry perspectives – one that favors a free-market approach and another that supports reasonable and necessary regulation.

I personally believe that regulation is absolutely necessary in this case. Without the certainty and predictability created by effective regulation, I do not see investors being willing to invest the huge sums of money involved building Michigan's future energy system. I think this provides a manageable and comprehensive choice that also allows predictability for our major utility companies in our state to maintain a stable energy rate, continue their investments in green energy and generate business and hiring opportunities in the State.

My humble view is that the energy policy adopted nearly five years ago is working well and that Michigan's business climate is enhanced by a more regulated environment.

Thank you once again for this opportunity to share my perspectives on the issue of Michigan's energy future.